



The Insider

www.senate.mi.gov/switalski

Inside State Politics with State Senator Mickey Switalski Senate District 10

March 19, 2004

Welcome to the electronic version of *The Insider*. I would like to take the opportunity to thank you for your support and for giving me an opportunity to represent you in the Michigan Senate. It is my sincere hope that this bi-weekly e-newsletter will keep you informed of the happenings in Lansing, while keeping true to the traditional style of *The Insider*. If you would like to contact me, please feel free to e-mail me at senmswitalski@senate.michigan.gov or call me at my Roseville or Lansing office. You can also meet me in person during my constituent hours, coming to a library near you. Call my office and make an appointment, or you can just walk in. See page 4 for the schedule.

The War Against Potholes

Potholes Beware!

Your days may be numbered!

With the weather getting warmer, or trying, Motown will soon become Orange-cone town. But do not fret, for progress in the war against potholes will continue.

The latest weapon on the war against potholes was signed into law by Governor Granholm last month. I introduced SB 334, which would significantly reduce the red tape and hurdles that local governments face when trying to preserve their local roads systems, such as residential streets.

SB 334 was granted immediate effect by the legislature and would allow for the transfer of funds from a city's major street fund to a local street fund. Many cities have a surplus in their major street fund that goes for major roads projects such as the half-mile Roads in Sterling Heights or Frazho or Common Roads in Roseville. Even if these major roads were in good shape, the money could not be transferred for use on projects such as subdivision streets.

For example, the city of Roseville had a \$750,000 surplus in its major road fund. With the main roads in Roseville being in pretty good shape, the city can now turn its attention to some of its residential streets, some of which are in need of some desperate attention.

Old law stated that in order to make this transfer, the city would have to put up half the money from their general fund budgets in order to transfer funds to their local street fund. At a time when the state has been cutting revenue sharing to local governments, this requirement became increasingly difficult to accomplish.

This law provides for more flexibility for cities when determining their road projects and would be another route to boost the economy as the funds can now be used for more preservation projects.

Now, all you have to do is be patient when Macomb County becomes Orange County during the construction season.

No proof of insurance

Getting pulled over by a police officer is always a stressful time on a driver. A police officer walks up to your vehicle during a traffic stop, and asks to see your driver's license, registration and proof of insurance.

You fumble through your wallet or purse. You check your glove compartment and find your registration. You hand it over to the impatient police officer and then proceed to look everywhere else for your proof of insurance.

You find it. But the officer tells you that it's expired. The officer gives you a ticket for not having your proof of insurance.

You go to court and prove that you had an active insurance policy and get the fine waived.

Done deal?

Not exactly. Many Michigan drivers recently received a bill from the state assessing them a \$150 dollar fee to be paid this year and next year because they had "no proof of insurance".

The no proof of insurance fee was part of the driver's responsibility fee package that were passed as a method of deterring bad drivers from continuously getting behind the wheel and putting innocent lives at risk.

The fees were assessed in two ways. One method fines a driver that receives seven or more points on their driving record a \$100 fine. Any points in addition to the seven would result in a further \$50 fine.

In addition, certain driving offenses were given an even larger fine to be paid for two consecutive years. These included such things as drunken driving (\$1,000), reckless driving (\$500) and no proof of insurance (\$150).

Seeing that the law passed last year had unintended consequences, the legislature amended the no proof of insurance driver's responsibility fee. The law did not make a clear distinction between drivers that have insurance but were unable to provide it at a time of a traffic stop and those that do not have any insurance. And because of a technicality, the fines often could not be waived in court.

The Senate this week passed HB 4308, which would waive the driver's responsibility fee for those that had an active insurance policy at the time of a traffic stop but for some reason were unable to prove their proof of insurance on the spot. In order for the fee to be waived, a driver would have to prove their insurance policy before their court appearance.

The Senate amended the bill to give refunds to drivers who had an active insurance policy at the time of their traffic citation but already paid the driver's responsibility fee to the state. I also introduced an

amendment that was adopted that would establish a maximum fine of \$590 for drivers who had no insurance at all. The House version of the bill upped that fine to \$865. Senate changes, including my amendment, reduced that to \$590. That is still a stiff fine, but one that strikes a balance between penalizing those who are flaunting the insurance requirement without making the sanctions draconian.

The House confirmed the Senate's changes and the bill will be presented to Governor Granholm for her signature.

In the Dark? Electric Deregulation

Many people have written me regarding the potential for a California-like energy crisis with blackouts, excessive energy price increases and the loss of jobs in the state if Public Act 141 of 2000 is not reformed.

As a member of the Michigan House, I had reservations about PA 141. I voted against it, but it garnered a majority and was passed into law.

When Public Act 141 of 2000 was enacted, it was intended to do the following:

- ensure that all retail customers in this state of electric power have a choice of electric suppliers
- allow and encourage the Michigan Public Service Commission (MPSC) to foster competition in this state in the provision of electric supply and maintain regulation of electric supply for customers who continue to choose supply from incumbent electric utilities
- encourage the development and construction of merchant plants which will diversify the ownership of electric generation in this state
- ensure that all persons in this state are afforded safe, reliable electric power at a reasonable rate
- improve the opportunities for economic development in this state and to promote financially healthy and competitive utilities in this state.

But in actuality, PA 141 of 2000 has had mixed feelings regarding its implementation. PA 141 took effect on January 1, 2002. While electric choice has occurred for many large industrial and commercial centers, this has been the case for residential customers.

Currently, there is a rate freeze in effect until January 1, 2006. Some utility companies contend that certain aspects of the act make them susceptible to having profitable industrial and commercial customers being wooed away with lower prices by the alternative energy suppliers. These utilities contend that when the rate freeze is lifted, customers will get higher residential rates. Other utilities have argued that the act has not been in effect long enough to accurately gauge its implications and that more time should be given before on any restructuring takes place.

The committee has found a variety of potential options that it could take. These include such options as deregulation of the electric industry and allowing the market to dictate supply and set the price of electric power. Another option is for a fully regulated industry with the government establishing where and to whom energy prices will go. Another option is for a combination of market forces and regulation.

With the structure of the state's energy utilities affecting every citizen in this state, this issue demands careful consideration. I will keep you updated on this very important issue as any new developments arise. Look for future updates in future additions of the electronic newsletter.

Mickey's TV Insider Show

Check out my TV Insider Show coming to a television station near you. Watch me interview local guests about politics, life, issues and concerns to our district.

Sterling Heights

Every Saturday and Sunday at 12:30 p.m.
(Comcast Channel 5/WOW Channel 10)

Utica

Every Wednesday at 9 a.m.
(Comcast Channel 5/WOW Channel 10)

Clinton Township

Last week of every month- Sat thru Thurs
(Comcast Channel 5/WOW Channel 10)

Roseville

Every other Tuesday at 6:05 p.m.
(Comcast Channel 18)

*Please note that Sterling Heights/Utica/Clinton Township will show the TV Insider Show on Comcast Channel 5 and Wide Open West Channel 10. Clinton Township will air the TV Insider Show at various times during the last week of every month. Roseville can see the TV Insider Show on Comcast Channel 18.

Coffee Hours

*Please note that since the District Office is in Roseville, I do not have coffee hours in Roseville. I encourage you to visit the Roseville office. We even have a coffee pot. For those that wish to attend the coffee hours in Clinton Township, please note that I will be at the new Clinton-Macomb Public Library, located at the corner of Romeo Plank and Canal Road on April 26.

Clinton Township

May 24

Clinton Township Public Library
35891 Gratiot, north of 15 Mile
7-9 P.M.

Apr. 26 (NOTE NEW LOCATION)

Clinton-Macomb Public Library
40900 Romeo Plank Road
7-9 P.M.

Sterling Heights/Utica

Apr. 5, May 3
7-9 P.M.

Location: Sterling Heights Library
(Utica and Dodge Park roads)

Contact My Office

Website: <http://www.senate.mi.gov/switalski>

Email: senmswitalski@senate.michigan.gov

Lansing Office

Senator Mickey Switalski

District Office

28311 Utica Road

Senate District 10
410 Farnum
PO Box 30036
Lansing, Michigan 48909

(866)303-0110 toll free
(517)373-7315
Fax-(517)373-3126

Roseville, MI 48066

Monday through Friday
9:00 A.M. to 5:00 P.M.

(586)774-2430
Fax-(586)774-0012